

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

| | | |
|---------------------------------|---|---------------|
| AN EXAMINATION BY THE PUBLIC |) | |
| SERVICE COMMISSION OF THE |) | |
| APPLICATION OF THE FUEL ADJUST- |) | |
| MENT CLAUSE OF OWEN COUNTY |) | CASE NO. 9194 |
| RURAL ELECTRIC COOPERATIVE |) | |
| CORPORATION FROM NOVEMBER 1, |) | |
| 1982, TO OCTOBER 31, 1984 |) | |

O R D E R

Pursuant to 807 KAR 5:056, Sections 1(11) and (12), the Public Service Commission ("Commission") issued its Order on November 20, 1984, scheduling a hearing to review the operation of the fuel adjustment clause of Owen County Rural Electric Cooperative Corporation ("Owen County") for the past 2 years and to determine the amount of fuel cost that should be transferred (rolled in) to the base rates in order to reestablish the fuel adjustment charge.

Owen County filed all requested information, including its monthly fuel charges for the 2-year period under review. Following proper notice, a hearing was held on April 4, 1984.

The Commission approved a transfer (roll-in) of (2.47) mills per KWH to the base rates of Owen County's wholesale supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 9171. Approval of East Kentucky's proposal requires that Owen County also be authorized to roll in those same fuel costs to its base rates.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

1. Owen County has complied in all material respects with the provisions of 807 KAR 5:056.

2. Owen County's wholesale supplier has been authorized to transfer (roll in) to its base rates fuel costs of (2.47) mills per KWH in Case No. 9171.

3. Owen County should be authorized to decrease the rates charged its customers by 2.66 mills per KWH in order to transfer fuel costs rolled in by East Kentucky from the fuel adjustment clause to the base rates pursuant to the Commission's Order in Case No. 9171 and applicable line loss, and this can best be accomplished by a uniform reduction in all energy rates.

4. The revised rates and charges in Appendix A are designed to reflect the transfer of fuel costs from the fuel adjustment clause rate to the base rates.

IT IS THEREFORE ORDERED that the charges collected by Owen County through the fuel adjustment clause for the period November 1, 1982, through October 31, 1984, be and they hereby are approved.

IT IS FURTHER ORDERED that Owen County be and it hereby is authorized to transfer to its base rates fuel costs transferred by its wholesale supplier pursuant to Case No. 9171.

IT IS FURTHER ORDERED that the rates in Appendix A be and they hereby are approved for service rendered by Owen County on and after June 1, 1985, which is also the effective date for East Kentucky's rates.

IT IS FURTHER ORDERED that within 30 days from the date of this Order Owen County shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 7th day of May, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Herrington
Chairman

R. H. Jones, Jr.
Vice Chairman

Frank Shell
Commissioner

ATTEST:

Acting Secretary _____

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9194 DATED 5/7/85

The following rates and charges are prescribed for the customers in the area served by Owen County Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

SCHEDULE I
FARM AND HOME*

Rates:

| | |
|-----------------|------------------|
| Customer Charge | \$5.50 Per Month |
| All KWH | .06848 Per KWH |

SCHEDULE 1
FARM AND HOME T-O-D

Rates:

| | | |
|---------------|-----------------|------------------|
| All Consumers | Customer Charge | \$5.50 Per Month |
| On-Peak Rate | All KWH/Month | .06848 Per KWH |
| Off-Peak Rate | All KWH/Month | .04002 Per KWH |

SCHEDULE I
SMALL COMMERCIAL*

Rates:

| | |
|-----------------|------------------|
| Customer Charge | \$5.50 Per Month |
| All KWH | .06848 Per KWH |

SCHEDULE II
LARGE POWER*

Rates:

| | |
|-----------------|------------------------------------|
| All KW Demand | \$5.12 Per KW of Billing Demand |
| Customer Charge | \$20.00 Per Month |
| All KWH | .04892 Per KWH |

SCHEDULE III
SECURITY LIGHTS*

Rates:

| | |
|---|--------|
| Installed on existing pole where 120 volts are available | \$5.29 |
| One Pole Added | 6.93 |
| Two Poles Added | 8.57 |
| Three Poles Added | 10.21 |
| Four Poles Added | 11.85 |

Where a transformer is required, there is an additional charge of \$0.50 per month.

*The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause."